

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

NEWAGE, INC., et al.
Debtors.

Chapter 11
Case No. 22-10819 (LSS)
(Jointly Administered)

/

NAI LIQUIDATION TRUST, by and
through its Liquidation Trustee, STEVEN
BALASIANO,

Plaintiff,
v.
Adv. Proc. No. 23-50393 (LSS)

FREDERICK W. COOPER, MARK
WILSON, BRENT WILLIS, TIMOTHY
HAAS, REGINALD KAPTEYN, ALICIA
SYRETT, GREGORY GOULD, CHUCK
ENCE, CARL AURE, KEVIN MANION,
ED BRENNAN, AMY KUZDOWICZ,
GREG FEA, CRAIG THIBODEAU,
KWIKCLICK, INC., JEFFREY YATES,
RILEY TIMMER, COOPER FAMILY
INVESTMENTS, LP, YATES FAMILY
INVESTMENTS, LLLP, WILSON
FAMILY HOLDINGS, LLC, TIMMER
FAMILY INVESTMENTS, LLLP,
CHANDLER FAMILY INVESTMENTS
2.0, LLC, IAN CHANDLER, BRADY
COOPER, WENHAN ZHANG, and TYLER
B. JONES,

Defendants.

/

DEFENDANT, TYLER B. JONES'S ANSWER AND AFFIRMATIVE DEFENSES

Defendant, Tyler B. Jones ("Mr. Jones"), by and through his undersigned counsel, hereby answers and raises his affirmative defenses to the Complaint of Plaintiff, NAI

Liquidation Trust, by and through its Liquidation Trustee, Steven Balasiano, ("Plaintiff" or the "Trust"), as follows:

ANSWER

1. Denied.
2. Defendant was not employed by the Debtor during the alleged years, and is without knowledge, and therefore denied.
3. Without knowledge and therefore denied.
4. Without knowledge and therefore denied.
5. Without knowledge and therefore denied.
6. Without knowledge and therefore denied.
7. Without knowledge and therefore denied
8. Without knowledge and therefore denied.
9. Without knowledge and therefore denied.
10. Without knowledge and therefore denied.
11. Without knowledge and therefore denied.
12. Without knowledge and therefore denied.
13. Without knowledge and therefore denied.
14. Without knowledge and therefore denied.
15. Without knowledge and therefore denied.
16. Denied.
17. Without knowledge and therefore denied.
18. Admitted for jurisdictional purposes only. Otherwise denied.
19. Admitted for venue purposes only. Otherwise denied.

20. Admitted for jurisdictional purposes only. Otherwise denied.

21. Admitted for jurisdictional purposes only. Otherwise denied.

22. Admitted for jurisdictional purposes only. Otherwise denied.

23. Defendant confirms its consent pursuant to Federal Rule of Bankruptcy Procedure 7008 and Rule 7008-1 of Bankruptcy Local Rules for the United States Bankruptcy Court for the District of Delaware.

24. Admitted.
25. Admitted.
26. Admitted.
27. Admitted.
28. Admitted.
29. Admitted.
30. Admitted.
31. Admitted.
32. Admitted.
33. Admitted.
34. Without knowledge and therefore denied.
35. Without knowledge and therefore denied.
36. Without knowledge and therefore denied.
37. Without knowledge and therefore denied.
38. Admitted.
39. Without knowledge and therefore denied.
40. Without knowledge and therefore denied.

41. Without knowledge and therefore denied.
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55. Without knowledge and therefore denied.
56. Without knowledge and therefore denied.
57. Denied.
58. Without knowledge and therefore denied.
59. Admitted.
60. Admitted.
61. Admitted.
62. Denied.
63. Admitted.

64. Without knowledge and therefore denied.
65. Admitted.
66. Admitted.
67. Without knowledge and therefore denied.
68. Admitted.
69. Without knowledge and therefore denied.
70. Admitted.
71. Without knowledge and therefore denied.
72. Defendant is not a D&O Defendant and therefore denied.
73. Defendant is not a D&O Defendant and therefore denied.
74. Defendant is not a D&O Defendant and therefore denied.
75. Admitted.
76. Admitted.
77. Admitted.
78. Admitted.
79. Admitted.
80. Admitted.
81. Admitted.
82. Admitted.
83. Without knowledge and therefore denied.
84. Without knowledge and therefore denied.
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86. Without knowledge and therefore denied.

87. Without knowledge and therefore denied.
88. Without knowledge and therefore denied.
89. Admitted.
90. Without knowledge and therefore denied.
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93. Denied.
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162. Denied.
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184. Denied.
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190. Denied.
191. Admitted.
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195. Admitted.
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286. Admitted.
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292. Without knowledge and therefore denied.
293. Without knowledge and therefore denied.

294. Without knowledge and therefore denied.

295. Without knowledge and therefore denied.

COUNT ONE
BREACH OF FIDUCIARY DUTY
(Against Willis)

296-304. Count One of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count One.

COUNT TWO
BREACH OF FIDUCIARY DUTY
(Against Cooper and Wilson)

305-313. Count Two of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Two.

COUNT THREE
BREACH OF FIDUCIARY DUTY
(Against All Other D&O Defendants)

314-322. Count Three of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Three.

COUNT FOUR
AIDING AND ABETTING BREACH OF FIDUCIARY DUTY
(Against Zhang, B. Cooper, Kwikclick and the Ariix Sellers)

323-328. Count Four of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Four.

COUNT FIVE
WASTE OF CORPORATE ASSETS
(Against the D&O Defendants)

329-332. Count Five of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Five.

COUNT SIX
BREACH OF CONTRACT—AMENDED MERGER AGREEMENT
(Against the Ariix Sellers)

333-339. Count Six of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Six.

COUNT SEVEN
BREACH OF CONTRACT— AMENDED MERGER AGREEMENT
(Against the Ariix Sellers Other than Cooper)

340-346. Count Seven of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Seven.

COUNT EIGHT
INDEMNIFICATION
(Against the Ariix Sellers)

347-351. Count Eight of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Eight.

COUNT NINE
BREACH OF CONTRACT - COVENANT NOT TO COMPETE AND NOT TO SOLICIT
(Against Cooper)

352-360. Count Nine of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Nine.

COUNT TEN
FRAUDULENT INDUCEMENT — AMENDED MERGER AGREEMENT
(Against the Ariix Sellers)

361-368. Count Ten of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Ten.

COUNT ELEVEN
FRAUDULENT INDUCEMENT - LICENSE AGREEMENT
(Against the Kwikclick Defendants)

369-375. Count Eleven of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Eleven.

COUNT TWELVE
DECLARATORY JUDGMENT
(Against Kwikclick)

376-381. Count Twelve of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Twelve.

COUNT THIRTEEN
BREACH OF CONTRACT - LICENSE AGREEMENT
(Against Kwikclick)

382-388. Count Thirteen of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Thirteen.

COUNT FOURTEEN
FRAUD
(Against Cooper and Wilson)

389-395. Count Fourteen of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Fourteen.

COUNT FIFTEEN
CIVIL CONSPIRACY
(Against the Kwikclick Defendants, the Ariix Sellers, Willis and Jones)

396. Defendant restates and incorporates Answers 1 through 295.
397. Denied.
398. Denied.
399. Without knowledge and therefore denied.
400. Without knowledge and therefore denied.
401. Denied.
402. Without knowledge and therefore denied.
403. Denied.
404. Without knowledge and therefore denied.
405. Denied.

COUNT SIXTEEN
TORTIOUS INTERFERENCE WITH CONTRACTUAL RELATIONS
(Against Kwikclick, Zhang and B. Cooper)

406-411. Count Sixteen of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Sixteen.

COUNT SEVENTEEN
TORTIOUS INTERFERENCE WITH CONTRACTUAL RELATIONS
(Against the Kwikclick Defendants)

412-418. Count Seventeen of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Seventeen.

COUNT EIGHTEEN
TORTIOUS INTERFERENCE WITH PROSPECTIVE ECONOMIC ADVANTAGE
(Against the Kwikclick Defendants and the Ariix Sellers)

419-423. Count Eighteen of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Eighteen.

COUNT NINETEEN
CIVIL CONSPIRACY
(Against the D&O Defendants)

424-427. Count Nineteen of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Nineteen.

COUNT TWENTY
CONVERSION
(Against the Kwikclick Defendants and the Ariix Sellers)

428-434. Count Twenty of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Twenty.

COUNT TWENTY-ONE
VIOLATION OF THE DEFEND TRADE SECRETS ACT
(Against the Kwikclick Defendants)

435-447. Count Twenty-One of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Twenty-One.

COUNT TWENTY-TWO
MISAPPROPRIATION OF TRADE SECRETS (UTAH UNIFORM TRADE SECRETS ACT)
(Against the Kwikclick Defendants)

448-459. Count Twenty-Two of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Twenty-Two.

COUNT TWENTY-THREE
DECLARATORY JUDGMENT
(Against Cooper)

460-465. Count Twenty-Three of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Twenty-Three.

COUNT TWENTY-FOUR
UNJUST ENRICHMENT
(Against the Kwikclick Defendants)

466-472. Count Twenty-Four of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Twenty-Four.

COUNT TWENTY-FIVE
UNJUST ENRICHMENT
(Against the D&O Defendants)

473-476. Count Twenty-Five of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Twenty-Five.

COUNT TWENTY-SIX
TURN-OVER OF PROPERTY OF THE ESTATE UNDER 11 U.S.C. § 542(a)
(Against Kwikclick)

477-481. Count Twenty-Six of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Twenty-Six.

COUNT TWENTY-SEVEN
**AVOIDANCE AND RECOVERY OF ACTUAL FRAUDULENT TRANSFER UNDER 11
U.S.C. §§ 548(a)(1)(A), 550 and APPLICABLE STATE LAW**
(Against Kwikclick)

482-490. Count Twenty-Seven of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Twenty-Seven.

COUNT TWENTY-EIGHT
AVOIDANCE AND RECOVERY OF CONSTRUCTIVE FRAUDULENT TRANSFER
UNDER 11 U.S.C. §§ 544, 548 and 550 and APPLICABLE STATE LAW
(Against the Kwikclick Defendants)

491-501. Count Twenty-Eight of the Complaint does not seek any relief against Mr. Jones, and therefore no response is required. Otherwise, to the extent necessary, Mr. Jones denies all allegations in Count Twenty-Eight.

Reservation of Right to Supplement Defenses

Mr. Jones hereby gives notice that he intends to reply upon such other and further defenses as may be discovered, disclosed, or as may become available or apparent during discovery or other proceedings in this action, and hereby reserves the right to amend this Answer and assert all such defenses.

Dated: December 5, 2023

Respectfully submitted,

PACHULSKI STANG ZIEHL & JONES LLP

By: /s/ Steven W. Golden

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Wilmington, DE 19801
Tel: (302) 652-4100
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SHUMAKER, LOOP & KENDRICK, LLP

By: /s/ Steven M. Berman, Esq.

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Counsel for the Defendant, Tyler B. Jones